

SPECIAL JOINT MEETING
 LODI CITY COUNCIL AND
 PLANNING COMMISSION
 WEDNESDAY, MARCH 14, 1990
 7:30 P.M.
 CARNEGIE FORUM
 305 WEST PINE STREET
 LODI, CALIFORNIA

The meeting was called to order by Mayor Snider at 7:30 p.m.

Roll was recorded by the City Clerk as follows:

Present: Council Members - Hinchman, Olson, Reid and
 Snider (Mayor)

Absent : Council Members - Pinkerton

Present: Planning Commission Members - Griffith,
 Hitchcock-Akin, Lapenta, Rasmussen, and Stafford

Absent: Planning Commission Members - Mindt and Marzolf

Also Present: City Manager Peterson, Assistant City
 Manager Glenn, Public Works Director Ronsko,
 Associate Planner David Morimoto, City
 Attorney McNatt and City Clerk Reimche

Also present for the review of the Health and Safety
 Element were Fire Chief Hughes and Police Chief Williams.

CC-35(a)

The final portion of the Health and Safety Element was
 reviewed by Jones and Stokes Associates representative
 Debra D. Loh.


Comments and suggestions were received from the audience
 and were responded to by Ms. Loh, Fire Chief Hughes, and
 Assistant City Engineer Prima.

The Urban Design and Cultural Resources Element was
 reviewed by Ms. Loh.

Comments and suggestions were received from the audience
 and were responded to by members of the City staff and Ms.
 Loh.

The meeting was adjourned at approximately 9:45 p.m.

Attest:


 Alice M. Reimche
 City Clerk

CITY OF LODI
INDUSTRIAL DEVELOPMENT AUTHORITY
WEDNESDAY, MARCH 21, 1990
10:30 P.M.

The March 21, 1990 meeting of the City of Lodi Industrial Development Authority was called to order at 10:30 p.m. by Chairman John R. (Randy) Snider.

Roll was recorded by Secretary Reimche as follows:

Industrial Development Authority Members - Hinchman, Olson,
Pinkerton, Reid and Snider

Also Present - City Manager Peterson, City Attorney McNatt, and
Secretary Reimche

City Attorney McNatt addressed the Industrial Development Authority advising that the City in 1986 participated in the issuance of Industrial Development Revenue Bonds for the Minton Company Project, via the City's Industrial Development Authority. Under the Project Loan Documents, the City's consent must be obtained before Minton Company can transfer certain property which might be considered part of the "Project" for which the Bonds were issued.

The City Attorney was informed that the Minton Company's Lodi operation has not done well financially, and has in fact recently been shut down. Apparently, Minton Company intends to dispose of some unknown part of the facilities located on Beckman Road.

By letter dated February 5, 1990, the City of Lodi received a request from the law firm of Hopkins & Carley on behalf of the Minton Company, that the City Council, sitting as the Industrial Development Authority, give its consent to this transfer (Exhibit B).

Being unfamiliar with the circumstances under which the bonds were issued, the City Attorney contacted the firm of Buchalter, Nemer, Fields, Chrystie, & Younger, which had been the City's Bond counsel for this project. That firm was asked to supply us with an opinion as to whether or not the City should grant the request by the Minton Company. It was agreed that the Minton Company would be responsible for any legal fees incurred in getting this opinion from our Bond counsel.

On February 28, 1990, the City of Lodi received a fax letter from Buchalter, Nemer, Fields & Younger which indicated that they were of the opinion that "... none of the Transferred Assets consists of property financed with proceeds of the Bonds." As such, it appears that the City Council may approve the Consent to Transfer without endangering the security of the Bonds involved. After discussions with our Bond counsel, the City Attorney was unaware of any other reasons why the City could not approve the request for the Consent of Transfer.

It was therefore recommended, based on the advice of Bond counsel, that the City Council, sitting as the Industrial Development Authority of the City of Lodi, authorize the execution of the Consent to Transfer.

Following discussion, on motion of IDA Member Olson, Hinchman second, approved the "Consent to Transfer" (see exhibit attached hereto and thereby made a part hereof) of certain property owned by the Minton Company.

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There being no further business to come before the Authority, the meeting was adjourned at 10:35 p.m.

Alice M. Reimche
Alice M. Reimche
Secretary
City of Lodi
Industrial Development Authority

MINTON COMPANY
CONSENT TO TRANSFER AND
DIRECTION TO TRUSTEE

This Consent to Transfer is given with respect to those certain Project Loan Documents executed in connection with The Industrial Development Authority of the City of Lodi, \$5,000,000 Variable Rate Demand Industrial Development Revenue Bonds 1986 Series A - Minton Company Project.

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the undersigned hereby:

1. Consents to the transfer, assignment and sale by Minton Company, a California corporation ("Minton"), to MC Acquisition Corporation, a Delaware corporation, or its affiliates ("MC"), of substantially all of Minton's assets used in its commercial door business as provided for in that certain Assets Acquisition Agreement dated January 17, 1990 among MC, Minton, and certain shareholders of Minton (the "Assets Acquisition Agreement"), which assets are more particularly described in Schedule 1 hereto (the "Assets").

2. Waives the right to treat the transfer contemplated by the Assets Acquisition Agreement as an event of default under any of the Project Loan Documents.

3. Authorizes First Interstate Bank of California (Trustee under the Indenture of Trust dated as of November 1, 1986 between the Industrial Authority of the City of Lodi (the "Authority") and First Interstate Bank) to release the Assets from UCC-1 Financing Statement Number 86307085 and Fixture Filing Number 9043012 which filings were made in connection with the Project Loan Documents by signing the Consent to Release, in the form of Exhibit B hereto, and to authorize Bank of America NT&SA to execute and to file UCC-2 Financing Statements releasing the Assets from the lien of the Filings, such statements in the form of Exhibit A hereto.

PROVIDED, HOWEVER, that the foregoing consent, waiver and authorization shall be effective only upon the closing of the transactions contemplated in the Assets Acquisition Agreement.

Unless otherwise set forth herein, the terms used in this Consent shall have to meanings set forth in the Project Loan Documents. The term Project Loan Documents as used in this Consent shall have the meaning set forth in the Loan Agreement dated November 1, 1986 between Minton and the Authority.

The undersigned have full power and authority to enter this Consent

This consent may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

INDUSTRIAL DEVELOPMENT
AUTHORITY OF THE CITY OF LODI

By: _____
Its: _____
Date: _____

[7402M]

318-E

LAW OFFICES OF
Buchalter, Nemer, Fields & Younger

JERRY NEMER (1912-1980)
EVELLE J. YOUNGER (1918-1989)

(A PROFESSIONAL CORPORATION)

SUITE 700
700 SOUTH FLOWER STREET
LOS ANGELES, CALIFORNIA 90017-4183
TELEPHONE (213) 626-6700

FAX
(213) 623-3999
TELEX 66-7485 BNFY LSA

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OUR FILE NUMBER

February 28, 1990

Industrial Development Authority
of the City of Lodi
221 West Pine Street
Lodi, California 95240

First Interstate Bank of California
405 Montgomery Street
San Francisco, California 94104

Re: \$5,000,000 Variable Rate Demand
Industrial Development Revenue Bonds
1986 Series A (Minton Company Project)

Ladies and Gentlemen:

We acted as Bond Counsel for the Industrial Development Authority of the City of Lodi (the "Authority") in connection with the issuance of the Authority's Variable Rate Demand Industrial Development Revenue Bonds initially issued in the aggregate principal amount of \$5,000,000 (the "Bonds") which financed a project for the Minton Company (the "Project"). The Bonds were issued pursuant to an Indenture of Trust dated as of November 1, 1986 (the "Indenture") by and between the Authority and First Interstate Bank of California, as trustee. Pursuant to a Loan Agreement dated as of November 1, 1986 by and between Minton Company (the "Company") and the Authority (the "Loan Agreement"), the proceeds of the Bonds were loaned to the Company to finance the Project. The Indenture and Loan Agreement are hereafter collectively referred to herein as the "Bond Documents."

The Company owns certain property which was purchased with Bond proceeds, which property constitutes the Project, as well as property purchased with funds from other sources. The Company has advised us of its intention to sell certain assets of its commercial door business (the "Transferred Assets") to MC Acquisition Corporation, a California corporation (the "Purchaser"). You have asked us to examine the effect, if any,

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of the sale of the Transferred Assets on the Company's compliance with the Bond Documents.

We have reviewed the Bond Documents and certain other related documentation and the Assets Acquisition Agreement among the Purchaser, the Company, Allen Minton and Ulf E. Stauber dated as of January 17, 1990 (the "Acquisition Agreement") pursuant to which the Company will sell, and the Purchaser will buy, the Transferred Assets. We have also reviewed a Certificate of an Officer of the Company dated February 28, 1990 (the "Officer's Certificate"), to the effect that none of the Transferred Assets was financed with proceeds of the Bonds. We have not reviewed any other documentation in connection with the sale of the Transferred Assets.

For purposes hereof, we have assumed, with your approval, the following without investigation: the genuineness and authenticity of all signatures; the authenticity of all documents submitted to us as originals and the conformity to originals of all documents submitted to us as certified, conformed or reproduced copies; and the due authorization, execution and delivery by the Company of the Officer's Certificate and that all representations and other statements set forth in the Officer's Certificate are true, complete and correct.

The term "Project" is defined in the Bond Documents as the real property and facilities situated in the City of Lodi and financed from the proceeds of the Project Loan. "Project Loan" is defined in the Bond Documents as the secured loan made by the Authority to the Company from the proceeds of the Bonds pursuant to the Loan Agreement. Consequently, the Project consists solely of property financed with Bond proceeds. Based on the Officer's Certificate, none of the Transferred Assets consists of property financed with proceeds of the Bonds.

On the basis of the foregoing, we conclude that the Company's sale of the Transferred Assets is not a sale of all or a portion of the Project under the Bond Documents. As such, no additional action is required under the Bond Documents with respect to such sale. Additionally, the sale of the Transferred Assets in and of itself will not adversely affect the tax-exempt status of interest on the Bonds.

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It should be noted that we have only reviewed the Bond Documents and such conclusion is limited thereto. No conclusion is expressed as to the effect of any document, other than the Bond Documents, with respect to the sale of the Transferred Assets, including the Reimbursement Agreement dated November 1, 1986 by and among Minton Company and The Tokai Bank Ltd., Los Angeles Agency and Bank of America National Trust and Savings Association.

Very truly yours,

BUCHALTER, NEMER, FIELDS & YOUNGER


Jean Costanza

cc: Torrie Byers, Esq.